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President and CEO

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MARYLAND HEALTH
CARE COMMISSION

Commissioner Robert E. Nicolay, Chairman
Certificate of Need Task Force
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, MD 21215

Dear Commissioner Nicolay:

Carroll Hospital Center (CHC) is pleased to provide its recommendations to the Certificate of Need (CON) taskforce. CHC applauds the task force for its time and effort in undertaking this initiative.

CHC has had recent experience in submitting CON projects to the MHCC and therefore feels that its input is timely and relevant.

- First and foremost, CHC supports maintaining the existing CON requirements especially for Acute Care, Home Care, and Hospice. The CON program ensures that providers demonstrate need for a particular service before putting it into place and overburdening the health care system in a particular area. However, CHC does feel that some improvements and enhancements could be made to the existing programs. These suggestions are outlined in the remaining comments.
- CHC believes that the completeness review process should be streamlined by limiting it to one set of questions and to matters of technical completeness, that is, seeking information that is expressly required by the application form and the applicable State Health Plan chapter that the applicant fails to provide. A second set of questions should only be allowed if the first completeness responses are incomplete. While CHC understands that additional or clarifying information may be necessary in order for staff to complete its review and understand the project, this information can be obtained after docketing and during the review process.
- The State Health Plan (SHP) should be updated. There are many standards in the SHP that are not current or no longer relevant. For example, in the Acute Care

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chapter, the square footage guidelines should be updated to reflect current AIA guidelines and the OB standards should be removed since they are now covered in a separate chapter. Additionally, the MHCC often uses other guidelines and standards to review projects that are cross-referenced but not contained in the SHP and may be difficult to locate when completing the application. CHC believes that all applicable standards should be in the SHP or, if that is not practicable, contained on the MHCC's web site. All relevant standards should be available for applicants and referenced in the SHP.

- CHC is in favor of hospitals being allowed to construct shell space under certain circumstances. Constructing shell space for future needs during a relevant expansion can save money and allow the facility to better plan its resources and respond to emerging needs more timely.
- CHC also supports raising the capital expenditure threshold. MHA is proposing \$7.5 million, adjusted annually for inflation. CHC would support this dollar amount as well. As many hospitals find their facilities aging, increasing the capital expenditure would reduce the number of projects that the MHCC needs to review that mainly involve renovation to existing space.
- CHC would also support a "fast track" review process. By "fast tracking" certain projects and having a process in place to follow the MHCC could spend its limited resources on reviewing the larger more extensive projects that need more time and attention.
- CHC appreciates that the MHCC has recently updated its bed need projections, however we feel that the need methodology should be updated to be consistent with the 140% rule by using a 71.5% occupancy rate instead of the 80% occupancy rate in the current methodology.

Again, CHC appreciates the opportunity to comment on the existing CON process and would be glad to provide additional input as necessary. We look forward to following the process and hearing the task force recommendations.

Sincerely,



John M. Sernulka
President and CEO